RESTRICTED

DECLASSIFIED: Authority letter of
1-11-72 from W.N. Franklin, State Dept.
By Odell E. Ward Date 12/18/72

097.3
Z1 092
No. R+248

COORDINATOR OF INFORMATION

DEPARTMENT OF STATE
REFERENCE DIVISION
FILE COPY
PLEASE RETURN
REF

CONFLICT IN INDIA

British Empire Section Special Memorandum No. 25

R+248

January 15, 1942

COPY NO. 1 / 0.3

RESTRICTED

CONFLICT IN INDIA

SUMMARY

Two great conflicts are taking place in India today - the conflict of Hindu and Muslim and the conflict of Indian nationalism with British imperialism. These conflicts are staged before a dark backdrop of over-population, poverty and illiteracy in a country with a brilliant cultural past and with potentially unlimited economic resources.

Conflict of Hindu and Muslim is basically religious and does not seem to be diminishing, though on the lowest economic levels both communities work together in trade unions and peasant groups. The Hindus are about three times as numerous as the Muslims. Politically the problem has been dealt with in terms of communal representation. The Indian National Congress speaks primarily for the Hindus; the Muslim League, for the Muslims.

Conflict of India with Britain takes the form of a demand by Indians for Dominion Status or independence. The demand is opposed by a majority of the Muslims, some of whom favor the splitting up of India politically along religious lines. The British government has made progressive steps towards Dominion Status and has promised it in the indefinite future. Meanwhile, an attempt has been made (diarchy) to assign certain political problems to responsible Indian ministries in the provinces. Indian nationalists have not given this plan hearty support.

Economically, India is mainly agricultural, though industry is growing rapidly. She has a large public debt held largely in England. The main items on her budget are for defense and government services. During the last 40 years, her trade with the world at large, particularly with Japan and Germany, has been expanding; and her trade with the British Empire, proportionately diminishing.

The outstanding needs for India are greater efforts to alleviate poverty and disease and to raise the standard of living.

India's support of the Allied cause in the present war is considerably weakened by domestic discontent. though she is probably administering as strong a force in the field as her military resources can support.

America occupies the unique position in regard to the Indians and might be of service in resolving her extraordinary difficulties.

for the population over five years of age. British India has about 200,000 schools for males and about 50,000 for females. Since the number of towns and villages is about 470,000, the average is about one school to every two villages or towns. This condition is worse than it would be in America, because in India the rural population lives only in villages, which average about 480 persons each; isolated country dwellings are hardly known. Since the schools are largely concentrated in the towns, the average in rural districts is less than one to three villages. The picture in Indian States is no better.

Public Health. In British India in 1935 there were about 5,000 hospitals and dispensaries, with about 59,000 beds, that is one hospital or dispensary to every 48,000 people and one hospital bed to every 4,500. The figures for infant mortality and life expectancy at birth have been given above. It is estimated that 100,000,000 suffer from malaria in India every year; blindness is put at 450 per hundred thousand.

Industrial Expansion. India has the resources of materials and labor for large-scale industrial development.

Agricultural Increase. With modern methods of agriculture production could be increased, but the increase would be wasted if it were used only to let the population increase so that the additional people would be supported on the same inadequate scale as the present population. Education, artificial stimulation toward a higher standard of living, and population control would all be needed to produce any advantage for the

individual Indian.

Religious Differences. To meet these education in natural sciences is evidently indicated. Hinduism, Islam, Sikhism and other religions would then be rationalised to fit the modern world, much as western religions have been rationalised during the past century. Many issues of today would then vanish.

Political Differences. With the progress of nation-building India should become unified and able to formulate her demands of Britain and obtain them. She would also become strong enough to defend herself against outside aggressors, before whom today she would be helpless but for the British. She would be in a position to develop democratic institutions, and take an important place among the great democracies.

RESTRICTED

CONFLICT IN INDIA

Conflict in India as Cultural Affirmation

Two great conflicts are taking place in India today. One is the conflict of Indian nationalism with the British imperialism. The Nationalists call this "the struggle for independence". The other is the conflict of the Hindus with the Muslims. This the Indians call "communalism".

Both conflicts are efforts of the ancient indigenous Hindu civilization, five thousand years old, to reaffirm itself. In the one case it is trying to adjust itself to the modern world and find a place for India as a nation. In the other, it is trying to establish its native integrity against the intrusive Islamic civilization.

The Country and the People

These two conflicts are being staged before a dark backdrop of over-population, poverty, illiteracy, shot through with the brilliance of the still creative historic civilization and the prospect of industrial expansion based upon enormous resources of labor and raw materials.

The area of the country is a little over a million and a half square miles, or slightly more than half that of the United States, and the population is about 389,000,000, nearly three times ours and more than twice that of Russia,

perhaps greater even than China's. Of all these millions, the average annual per capita income is figured at somewhere between $25 and $40, showing India to be one of the world's porrest countries in terms of the individual. Much of this income, low as it is, goes toward the payment of debt, which bears down heavily on almost every peasant. Literacy stands at less than 10 percent of the population above the age of 5, and the people's lives are bound by countless irrational beliefs and practices.

Yet the country has an ancient and highly developed literature and in the absolute sense is rich, even though the people are poor. In the past the fabled wealth of India drew Alexander to attempt a conquest, and after him the Huns, the Turks, Genghis Khan, the Mughuls, and still later the Portuguese, the Dutch, the French and the British. Today it lights a gleam in the eye of the German and the Japanese.

India's economy is primarily agricultural. About 89 percent of the population lives in villages and about 66 percent gets its living directly by farming. Around 5 percent is engaged in trade. The total number of workers in factories, railroads and all other modern industries is less than 5,000,000, that is, less than one percent of the population.

Two types of administration divide the country. One is in British India, comprising about 55 percent of the country and containing about 76 percent of the population, and divided into eleven provinces. Here there exists a limited amount of

representative government. The other part of India belongs to the 562 princes. There representative institutions are only embryonic and administration is autocratic. The paramount power (Government of India) exercises greater or less control over the princes, according to treaty terms.

Public health and education are very meagerly supported. The total expenditure for education in British India (excluding Burma) in 1935-36, for example, including students' fees, was about £19,000,000, of which the government contributed something more than half. On public health and medicine the government spent about £4,250,000 in the same year. Except for a few minor private additions these are the entire expenditures in British India on these subjects.

One of the common beliefs about India is that she is hopelessly divided by differences of race, language, caste, religion. Religion does, indeed, make a deep fissure in the body politic, as we shall see later, but divergences in the other matters are relatively insignificant. The Indian is not at all aware of differences in race, and the language diversity does not disturb him. All native Indian, that is Hindu, literatures have a common stock of ideas and national legends, no matter what the language, and all Hindus are familiar with the same body of thought. For communication educated men once used Sanskrit, which was the polite language everywhere. Nowadays, when English is both the medium of instruction and the principal subject in the curriculum of high schools and the colleges

that tongue is the common speech. Even Gandhi and other nationalists use it for their own writings to seek national unity; in no other tongue could they reach so wide an Indian audience.

Hindu versus Muslim

The older of India's two great conflicts is that between Hindu and Muslim. Here the clash is cultural, with the point of contact religion. The Hindus are about 280,000,000 in number, the Muslims about 90,000,000. The latter are fairly well concentrated in the northwest and the northeast. The Muslims first came to Sind in 711, but the serious invasions of the rest of India began with 1001, and from that time until the death of the Mughul Emperor Aurangzib in 1707 Islam was an aggressive faith supported by force of arms and constantly expanding.

The basis of the clash lies in the fact that the two faiths are antipathetic. Hinduism tolerates any shade of dogma; Islam insists that there is no god but Allah and Muhammad is his Prophet. Hinduism takes a thoroughly intolerant stand on social matters, insisting on the institution of caste, wherein all men are born to a graded place in society, with the Brahman, "a god on earth", at the top and the 50 or 60 million outcaste Untouchables at the bottom. Islam, however, quite literally regards all men, at least all Muslims, as equal. Hindus decorate their temples profusely with images of gods, human beings and animals, and use idols in worship to call the gods to mind. The Quran strictly forbids the representation of any animate object,

and Mohammedans destroy the Hindus' images. The Hindu attaches a peculiar sanctity to the cow and considers cow-killing only less sinful than Brahman-killing; the Muslim slaughters and eats the cow even as Christians do. Hinduism is the most self-satisfied of religions: it has no missionaries, makes no converts; the only way to be a Hindu is to be born one. Islam is aggressively proselytizing, and in its most extreme form has often given the vanquished the choice between conversion or death. One uses the native Indian Sanskrit as its classical language; the other, the imported Arabic and Persian; hence the two cannot read each other's literature. Although the two groups are on terms of social equality, they do not intermarry, interdine or even exchange visits.

Bitter and historic enmity divides the two faiths. The Hindus cannot forget the thousand years from 711 to 1707, when Muslims periodically plundered their homes, looted their cities, burnt their books, demolished their temples, slew their priests, abducted their women; and they fear a recurrence of these horrors if the Muslims should get a chance. With the Muslims it rankles that, under the pax Britannica, they, the conquerors of the Hindus, should have become the lesser community in wealth, education and power.

Yet the situation is not wholly unrelieved. Mutual respect has been cultivated during the past 75 years under wise leaders. Sir Syed Ahmad Khan (1817-1898) was the greatest

Muslim reformer; the Hindus have had a number who preached inter-community forbearance, such as G. K. Gokhale (1866-1915) and Gandhi. Among the higher intellectual groups more Hindus and Muslims can meet on friendly terms than ever before. And on the lowest economic levels, among the great bulk of the people, the antipathy is generally only passive and unexpressed, while in trade unions and peasant groups today members of the two communities work in close association.

It is the middle economic classes, not very highly intellectualized, who provide the best field for Hindu-Muslim antipathy. They are the groups that take dogma at its face value, and they have many incentives to quarrel, leading to a struggle for power and position. The Muslims resent their disadvantage in education, wealth, and position, and aim at redress through control of the governmental machinery. The Hindus mean to retain all they have.

The struggle focuses on the system of "communal representation". This is a system of distributing seats in the legislative bodies and political appointments among members of the Hindu, Muslim, Sikh and other communities according to fixed ratios. The system was first adopted in 1909 at the time of the "Morley-Minto Reforms", when it was proposed as a method of allaying strife. There had been bitterness of feeling between the two communities since 1906, when Lord Curzon had divided the province of Bengal into two parts, one of them being predominantly Muslim. This was an excellent administrative

provision, but repugnant to the Bengali Hindus, who saw their beloved province being torn in half before their eyes. The vigor of their protest aroused the Muslims, who formed the Muslim League to voice their own claims. Lord Minto thought to resolve the quarrel by dividing the seats in the provincial councils which were to be instituted under the reforms. The later reforms of 1919 and 1935 continued the system and extended it. Now the electorate is divided into a number of mutually exclusive constituencies, which are, first, a general constituency, hardly to be distinguished from the Hindu majority, and then a number of minor communal constituencies representing religious or special interests. It is as though in this country we were to vote separately as Protestants, Catholics and Jews for separate representatives.

Of the minor Indian constituencies the Muslims are the largest, and the chief rivalry, therefore, is between them and the Hindus. They constantly ask for ever heavier weighting in representation, their aim being to reach a 50-50 equality with the Hindus, and for an ever larger number of appointive offices. Communal Hindu leaders have countered the Muslim challenge by forming their own communal organization, known as the Hindu Mahasabha. This body has recently been increasing in numbers and influence, as opposition to the growing intransigence of the Muslim League. The last word today in Muslim demands is for "Pakistan", a scheme to divide India into separate autonomous Hindu and Muslim states, in each of which the population will be

religiously homogeneous.

There is no doubt that communalism is one of the most troublesome factors in all Indian politics, but no one knows how to get rid of it, and instead of growing less with each new set of reforms it becomes greater. It constantly causes riots and bloodshed, which were very heavy this past summer and autumn, and is the divisive force that prevents any united action in India for full self-government.

India versus Britain

The conflict between Indian nationalism and British imperialism is primarily a struggle of the middle classes of India to get control of the machinery of government. It is not an effort of the proletariat to achieve a social revolution. Sometimes social issues are brought into the situation by leaders of political groups who hope to effect some needed specific social reform or seek to win support of the masses. Sometimes the trade unions and peasant organizations bring their problems before the nationalist groups and reach an understanding for common action. But these associations are tentative and take a secondary place with the nationalist leaders. In their campaign the primary issue is constitutional; second to this are certain economic issues; finally there are questions of social reform.

A. The Constitutional Question

Indian discontent on the constitutional issue springs from the fact that the main source of authority for the government

still remains the British Crown and Parliament. The Indian people are only a secondary source. The aim of the Indian nationalists is to eliminate Britain finally as a source of authority; that is, to achieve full home rule, in the form of "independence" or "full Dominion Status". It is true that there has been a marked, though slow, devolution of authority since the 18th century, when the East India Company was jointly a dependent upon the British Parliament and a vassal of the Mughul emperor. But the process is far from complete.

The first Europeans who came to India, from the time of the Portuguese Vasco da Gama in 1498, were traders. They had no territorial or political designs; they were merely business men under arms. As disorder came with the breakup of the Mughul Empire in the 18th century, these Europeans took an increasing part in the political affairs of the land, at first to protect their commercial interests, then to acquire political power and its perquisites. In time the British and the French crowded out the other Europeans, and the two fought it out to see which should be sole master, with the British finally becoming the victors. Warren Hastings, appointed Governor General in 1774, built the Indian empire. After him came consolidation and filling out until 1858, at the close of the Sepoy Mutiny, which was the last protest of the Indian princes. At that time the East India Company was dissolved, and India came by law as well as by fact directly under Parliament.

The ruthless form of imperialism that existed under

Hastings (1772-1785), when, for example, the Resident at Benares was reimbursing himself with "the takings" of his office to the extent of L40,000 a year, began to pass away under his successor, Lord Cornwallis (of Yorktown), in 1786. From that time on the policy of Britain has been to allow India a government that concerns itself increasingly with the welfare of the country. It is still an imperialism, but its activities have broadened to the extent of taking up questions of agriculture, education, sanitation, even industry and a protective tariff, and looking upon India's financial problem as distinct from that of Britain. The result has been that the Government of India, acquiring self-consciousness, has in recent decades often been in sharp conflict with the home government.

Without recounting numerous administrative reforms, we may note the progress toward representative governmental institutions. This progress in its early stages was without any consciousness on the part of Parliament that it was planting the seeds of a future democratic order. In 1833, when depriving the Company of its last powers, Parliament founded the Governor General's Council. In 1861 it created advisory councils, composed of Indian members, to assist the Governor General, who was also governor of the Bengal Presidency, and the governors of the other presidencies (Bombay and Madras), in framing legislation. These very modest advisory councils have grown into the present legislative assemblies. By the Act of 1892 the Governor General and Governors were instructed to nominate the non-official members of these Councils

after getting recommendations from important bodies in India. In theory and in law this was not election, but it was in fact, for the recommendations were always followed. The Councils were also granted the right to question the government and discuss the budget, although they had no power.

In 1909 further privileges were granted under the "Morley-Minto Reforms". These enlarged the imperial (central) Council, established councils in other provinces besides the Presidencies, provided that nearly all non-official seats should be elective rather than appointive - (although the electorate was infinitesimal - thus leaving the government only a very small nominated majority), and arranged for special representation of minority "communities", as has been mentioned above in discussing "Hindu versus Muslim". Lord Morley, the Secretary of State for India, specifically said that he did not look upon the scheme as leading to the establishment of a Parliamentary system in India, but the power of these Councils to question and criticize naturally led to a later demand for the power of action.

Ten years later (1919) the Montagu-Chelmsford reforms gave India a degree of self-rule beyond even imagination forty years before. By it the central government consisted of the Governor General (the Viceroy) with his appointive Executive Council, an upper chamber called the Council of State and a lower chamber called the Legislative Assembly. In each chamber a large number of seats were filled by government nomination - 27 out of 60 in the upper, 40 out of 146 in the lower. In the ten "Governor's

Provinces" - including Burma which had not yet been separated from India - there was an appointive Governor, with his Executive Council, and a Legislative Council with an elective majority, but no upper chamber. In these provinces certain subjects considered to be of first importance, such as law and order, the land revenue, canals, finances, were "reserved" for control by the Governor in Council, with responsibility to the British Parliament. Lesser subjects, such as education, agriculture, public health, were "transferred" to the Councils for control by the Governors through ministers responsible to the Councils and thus to the Indian electorate. In the case of the central government all subjects could be treated by the Legislative Assembly except the Army, which had claim to a sum not subject to discussion or refusal by any body in India. But a final power of "certification" rested with the Governor General in Council, which he could employ to enact legislation refused by the Legislative Assembly and the Council of State but in his opinion vital. Communal electorates were extended beyond the provisions of 1909. This system increased representation but kept responsibility very much limited.

The present system, embodied in the Act of 1935, is much like that of 1919, but in addition provided for a federation between the provinces of British India and the Indian States. The units were to have internal home rule - "provincial autonomy" - but to be united in the center. However, the autocratic states have not been willing to federate with the more or less democratic provinces of British India, and it has not been possible to put

that part of the scheme into effect. At the center defense and foreign relations are "reserved" for the Governor General in Council and may not be considered by the Legislature, nor may that part of the budget dealing with defense, interest on the public debt, salaries and pensions. No demand for a grant of money for any purpose can be considered unless recommended by the Governor General, and no taxation can be imposed except as approved by him. Certain types of acts, which might be inimical to certain foreign (British) trading and financial investments in India may not be enacted. Credit, currency, exchange are entrusted to the Reserve Bank, not to the legislature; the railways are in the hands of a special board. Ministries function within the limits imposed by the constitution.

Five (now increased to six) provinces have legislatures of two chambers; the others of only one. The legislature may not deal with the part of the budget that covers debt services, salaries of the Governor and certain officials, and some other subjects. The ministers must have the Governor's permission to introduce bills dealing with new taxation or loans, nor may they ask for any expenditures which have not been approved by the Governor. In both the central and provincial systems the Governor General and Governors, all appointed by the British Crown, have rights of veto, certification of legislation refused by the legislatures but to their mind essential, and enactment of temporary ordinances.

The electorate has been increased, and for the lower

chambers of the provincial legislative assemblies about ten percent of the population has the franchise; for higher offices the electorate is much smaller. The principle of "communal representation" is extended so that now more communities are separately represented than ever before.

All Indian parties are dissatisfied with the 1935 constitution, and even its framers regard it as temporary. As long ago as 1917 His Majesty's Government gave India a promise, undated for fulfilment, of progress toward representative institutions, which was defined in 1929, by the Viceroy Lord Irwin (now Lord Halifax) as leading to Dominion Status. The Indians had hoped that the 1935 constitution might be so framed, but various considerations, including the treaty promises to the Indian princes, responsibilities connected with the British financial investments, and the internal conflict between the Hindus and the Muslims, prevented Parliament from considering such a radical reform. Since the outbreak of war with Germany, Britain has reaffirmed her intention of giving India Dominion Status, but again the promise is undated, and the British have stipulated that all existing obligations of the Government of India must be fulfilled, and the conflicting groups within the country must first compose their differences and agree on the terms of the new constitution. The Indians view these conditions as only a way of imposing delay.

B. Economic Issues

The economic issues center on the use of India as a place of investment for British funds, certain charges besides

interest paid annually to the India Office in London, failure to develop industry in India, and preferential customs treatment of British-made goods.

Public Debt. The amount of the public debt of India outstanding at the end of the year 1939-40 was as follows:

Held in India	Held in England
L559,000,000	L349,000,000

Foreign Investments. The following is the amount of investment in India for the year 1934-35 (latest figures available) of Joint Stock Companies (Banking and Loan, Insurance, Navigation, Railways and Tramways, other Transit and Transport, Trading and Manufacturing Companies, Tea, Other Planting Companies, Mining, Quarrying, Mills, Cotton ginning etc., Jute, Estate, Sugar, others):

Registered in India	Registered Outside of India
L227,000,000	L586,000,000

Total of Public Debt (1939-40) and Joint Stock Companies investments (1934-35):

Held in India	Held Outside of India (Chiefly in England)
L786,000,000	L935,000,000

Of the Government's outstanding debt about L542,000,000 represent investment in the railroads, being about 60 percent of the total, and the interest charges on this debt paid in England for the year 1939-39 were about L9,000,000. The nationalists

complain of this part of the financial "drain" to Britain, but the railroads are India's most important economic tool, and it is hard to see how India, where capital is notoriously shy, would have got the funds for their construction if not from England, just as the United States had to do in similar circumstances. The Nationalists reply to these arguments by citing statements of British officials that the first railroads cost 50 percent more than they should have and that extravagant rates of interest were paid on railway capital.

Home Charges.* India pays to Britain annually as home charges (excluding interest) at least £11,000,000, and the nationalists object to this.

Industry. When the various European nations first engaged in trade with India, they came for pepper and spices, and also undertook commerce in the land's handicraft manufactures. Their ships came out in ballast, and returned with raw and finished products, for which they had paid in bullion or in products which they brought to India from other eastern countries. India at that time was an exporter of manufactured goods. But during the latter part of the 18th century the situation changed. The cotton and silk textiles of India competed first with the established woolen textile industry of Britain, and in the 19th century with the trowing cotton textile industry, which was seeking a larger market and dreaded a rival. A business grew up of exporting textiles to India,

*These include, in addition to interest on the debt, payment for stores purchased in England and pensions, gratuities and superannuation allowances to retired soldiers and officials.

and legislation was enacted in England against imported goods. As the East India Company began to profit by the export trade from Britain to India, serious efforts were made to discourage the Indian textile industry. More important, the machine-made goods of the West undersold the handmade goods of the Orient, and the handicrafts of necessity declined. India became a great consuming nation. Figures can show the shift in the textile industry. In 1814 India imported Rs.45,000 (L3,400) worth and exported Rs. 8,490,000 (L636,750). By 1829 the imports amounted to Rs. 5,216,000 (L391,200); and the exports, Rs.130,000 (L9,750). In 1913-14 the main classes of cotton piece goods imported from Britain to India totalled L37,300,000 in value. Cotton piece goods amounted to about 48 percent of the United Kingdom imports into India in that year.

Since 1914 the value of United Kingdom textile imports into India has declined. In 1928-29 the amount was only L29,800,000; in 1930-31 it was only something under L9,000,000, about 20 percent of United Kingdom imports into India. The diminution in British cotton piece-goods imports into India is due partly to the growth of the cotton goods industry in India, partly to Japanese competition.

The whole picture of India's foreign trade shows her now to be a country exporting raw materials (74 percent of total exports) and importing manufactured goods (74 percent).

But, while Britain used to have the bulk of India's trade, she has, in recent years, suffered a decline in almost all

departments, as in the cotton piece goods. On the whole, India is tending to become a world market rather than a British market. In 1874-79 Britain supplied about 82 percent of the country's imports; in 1899-1904, about 66 percent; in 1909-14, about 63 percent. In 1936 the amount was 39 percent; in 1938 it was 37 percent. The percentage of other countries had meanwhile gone up: Japan, from 2 percent in 1909-14 to 11 percent in 1938; that of the United States, from 3 percent in 1909-14 to 9 percent in 1938; that of Germany, from 6 percent in 1909-14 to 10 percent in 1938.

The nationalists claim that Britain ruined India's industry in favor of her own, and nowadays only grudgingly permits it any expansion. Even that expansion, they claim, is permitted only because the Indian market is declining anyhow. Less than one percent of the population is employed in factory industry, including the railways.

Customs. Preferential duties for British goods at the expense of other countries' manufactures may be illustrated as follows:

Duties on imports of cotton goods of British origin:	25	percent
" " " " " " non-British " :	50	"
Duties on imports of steel of British origin:	10	"
" " " " " " non-British " :	20	"

Notwithstanding these discriminating duties, the percentage of Indian imports from Britain has continued to drop in recent years, as just shown above.

C. Social Issues

The Indian nationalists for the most part lack a really keen appreciation of social evils, but they refer often to the following:

Education. Less than 10 percent of the population is literate.

Public Health. Diseases are prevalent in India; "fevers", especially malaria, kill more than 3,500,000 annually. Infant mortality is 162 per 1,000, or three times that of Britain. Life expectancy is 26, compared with 55 in Great Britain and 60 in the United States.

Poverty. The average annual income is estimated at between $26 to $40. The peasants are chiefly affected here. In a "normal" pre-war year the land tax brought in about 18 percent of the combined central and provincial revenue of British India. It is estimated that the India peasant pays out in tax about 1/5 to 1/10 of his year's total produce.

Against the amount spent to relieve lack of education, disease, poverty, the nationalist quotes the amount spent annually on defense, that is, on maintenance of an army. In pre-war years education took 7 percent of the combined central and provincial expenditure, public health took 3 percent. Defense, however, claimed 30 percent, and India maintained a standing army (permanent strength 220,000) about half again as large as the standing armed forces supported by all the rest of the empire, including the United Kingdom.

D. The British Side

The British do not take all the nationalist complaints and charges lying down. They point first to the more than eighty years of peace since the mutiny (1857-1858) when the country has known neither foreign invasion nor inner strife. They point to the police force, the courts, the excellent Indian Civil Service. They speak of the railroads - India has the world's third largest system - the enormous irrigation projects, the ports with their commerce. They speak of the famine control scheme, so well devised that there could now never again be another general famine like those of 1896-1900. Although they admit that the peasant is heavily taxed, they show that he pays less than under the Mughuls. In replying about education and public health, they say that the cost of universal schooling, even through the primary grades, and a general and adequate health program would be beyond India's financial capacity; besides, they add, the people do not want it and would resent any compulsion. They can demonstrate conclusively that the national wealth has increased tremendously; the mere increase of population would verify that statement - they do not deal with the Indian charge that the expansion of wealth has been neutralized by an expansion of the population, so that the individual Indian is no better off now than before the British came. They defend the failure to develop industry in India by referring to the Indian's own failure to raise the capital and take the necessary initiative for establishing industries: the government should not be expected to carry paternalism so far. On the interest charges paid to

England they claim that India has received full value for all British money borrowed and spent by the government, and the interest is justly due. Defense, they say, is expensive, but India is a hard country to defend and has been a temptation throughout history. They deny that they use the army to keep the country in submission. The constitutional issue, the British say, is not to be dealt with by any doctrinaire application of the democratic principle. Indians should be accustomed to self-rule by degrees lest they fumble their chance. The minorities problem is so complex that great care is needed to protect the interests of the small groups. The obligations to the princes and to business must be honored. It would be impossible, they contend, to grant universal adult franchise when illiteracy is so widespread. Yet, they point out, they are on record as in favor of Dominion Status and will grant it if only the conflicting Indian parties will agree on the terms of a new constitution.

E. Agency and Leadership of Nationalism.

The desire of India to move toward a larger and independent position in the world today has come partly from an acquaintance with the modern culture of the West and partly from the discovery of her own greatness in the past. Colleges teaching western ideas of natural and social sciences, newspapers, the improved means of communication, the sight of the railroads and other industrial developments fostered by the British in India, all have stimulated her desire. The work of the scholar, also western in his training, in revealing India's early culture, her literature, her art, her religion and philosophy, her mathematics,

has aroused self-confidence that she could again be one of the world's leading nations.

The effective body supporting Nationalism is the Indian National Congress. This was founded in 1885 as a kind of debating society to make suggestions to the government, and its first two presidents could speak from the heart about the blessings of British rule. In time, as its suggestions were steadily disregarded, it grew disillusioned and more critical in its attitude. It had its vicissitudes of prominence and importance, but since the time of the last war it has been the nationalist party without rival. In the first elections under the new constitution held in 1937 it obtained majorities in 7 of the 11 provinces of British India. It is composed mostly of caste Hindus, but has a few Muslims and Christians.

Its most prominent leader has been Gandhi, who has opposed the British imperialism as "Satanism" - for who, he said, but the satanic could have been responsible for the "massacre of Amritsar" in 1919 when a British general had his troops shoot into a defenseless crowd in a walled garden, killing 379 and wounding 1200. Gandhi, however, has no desire for the industrial development that most of the other nationalist leaders want; rather, he longs for a return to the mythical golden age. The politicians largely distrust him, but he has a strong sense of the dramatic and a keen appreciation of timing, and can sway the masses. Hence the leadership is his. He has been amazingly successful in several campaigns by employing "non-violent" methods of resistance,

the most practicable kind in India, where the people are prohibited from owning firearms. By setting his campaign on this ethical basis, he manages to put the government, with its methods of force, in the wrong and to keep public opinion with him.

The next most prominent leader is Jawaharlal Nehru, who is entirely modern in his viewpoint and looks for an industrialized India, though one that is highly socialized. He, too, is not agreeable to the "practical politicians", who are not so socially minded as he, but he has a large popular following, especially among the peasants. He has none of India's traditional religiousness, and is constantly puzzled by the attitude of Gandhi. While Gandhi looks to the past, Nehru finds his Utopia in the future. In 1938 Nehru gave as the paid membership of Congress 3,100,000, of whom 100,000 were Mohammedans.

F. Indian Opponents of Nationalism

The chief antithetic force to nationalism is the Muslim group headed by the Muslim League. This group distrusts the British as well, but fears the Hindus more, and so the Muslim League often supports the government against the Congress. Its leader today is Mr. M. A. Jinnah.

The Indian princes also oppose nationalism and the Congress. Their outworn system, they know, is marked down by the Congress for destruction, and they are the staunchest allies the British have in India. Well they may be, for no one else cares for their "treaty rights".

Prospective Outcome

In discussing the prospective outcome of the two Indian

conflicts, we may ignore the possibility of an Axis victory, which would make all Allied plans hopeless. We may ignore also the possibility that India might develop a Marxian class consciousness and accomplish a communist revolution, for which signs at present are lacking.

At some distant future time Hindu culture may well expect to absorb the Islamic, just as it once absorbed the Hellenistic that had invaded the country. The solution, to judge from the past, would be compromise and then assimilation, with final loss of Islamic identity.

But for the present any adjustment between the two seems possible only if both can direct their attention away from religion and toward purely social and political problems or can perhaps be brought to unite in a common program of developing India's industries. The Pakistan question, for example, might be affected if it were shown that the Muslim northwest as a source of hydroelectric power, is economically dependent upon the rest of the country as a manufacturing region to consume that power. By such means the Hindu-Muslim problem would be solved by indirection, not by one side refuting the other, but by both passing it by.

The conflict between British imperialism and Indian nationalism seems sure to result in achievement of Dominion Status. Independence is impracticable, because India needs the defense of the British Empire. The princes seem destined to lose much of their treaty rights, and some princes already are beginning to adapt themselves to new conditions. Britain must face an increase in India's industry, especially in view of the present war needs.

It is hardly likely that the two conflicts will be resolved separately. Rather, they will proceed with equal pace toward a final solution, whereupon India will take her place as one of the world's strong nations.

America's Interest in India's Problem

America should be concerned that India's problems neither interfere now with the conduct of the war nor afterward prevent a stable peace for the benefit of democracy. We should hope for the maximum speed in uniting India behind the war effort, which she is not now supporting with any heart. We should hope that the conflicting parties within the country may be brought to some agreement on the terms of a new constitution, which will give assurance to the minorities and to the interests which have been established in India with British capital.

At present the greatest difficulty is an all-round mistrust. The Muslim mistrusts the Hindu; the Hindu mistrusts the Muslim; the Sikh mistrusts both; the Untouchable mistrusts the castes; and all mistrust the British.

It happens, however, that all trust America. If there is any way by which we can capitalise on this trust and help India unite behind the war and behind a democratic peace, America will do a service to herself, to India, to Asia and to the world.

APPENDIX A

RECENT POLITICAL DEVELOPMENTS IN INDIA

Since the war broke out between Britain and Germany, the political developments in India have almost entirely been determined by the constitutional issue and the Hindu-Muslim antipathy. To a minor degree there has been concern with the question of industrialisation.

At the outbreak of the war sentiment in India was against Germany, and it would probably have been easy with a little tact to marshall the press and Legislative Assembly on the British side. But the Government took advantage of its legal right to declare India in the war without consulting the Legislative Assembly. India was humiliated, and her goodwill toward the democratic cause was soured by the autocratic manner in which she felt herself treated. Her attention was, therefore, directed away from the need for prosecuting the war to discontent with her impotence to make her own decisions. The Working Committee of the Indian National Congress met on September 15 to declare that India could not associate herself in a war for democratic freedom when that freedom was denied her. But if freedom were granted her, she would gladly associate herself with other free nations for mutual defense against aggression.

After consulting with Gandhi, chief leader of the Congress, Jinnah, leader of the Muslim League, and others, the Viceroy announced that the British Government intended eventually

to give India "Dominion Status" and to ascertain the necessary constitutional changes would consult with princes and political leaders after the war.

Congress considered this sort of promise unsatisfactory, and in October 1939 compelled its ministries to resign in the eight of India's eleven provinces where it had control, but did not call for civil disobedience or any obstruction to the war effort. Consequently, in these provinces administrative and legislative powers passed to the governor in accordance with the constitution.

At the beginning of November 1939, the Viceroy tried again to get Congress and Muslim League support, offering to expand his Executive Council by adding Indians, but the offer did not satisfy the Indian parties. Congress replied with a demand that India be promised her freedom at the end of the war. Late in the month it reiterated the demand, with a threat of civil disobedience if refused.

Meanwhile the Muslim League was continually making communal demands and opposing the Congress. It wanted equality of power and position. When the Congress ministries resigned, the League celebrated "Deliverance Day". Early in 1940 the Viceroy gave Mr. Jinnah assurance that any new constitution would have to receive the approval of large minorities. The Government wished to retain the Muslim ministries in the three provinces where it had a majority and in a fourth where it had been able to form a new ministry with the aid of other minorities, and succeeded

in doing so. The delicate position of the British in their diplomatic relations with the Islamic Near East was an additional incentive to placate the Indian Muslims. The Congress reply was to elect a Mohammedan, Maulana Abdul Kalam "Azad", as its president, thus showing its all-India, rather than Communal Hindu, character, and making a bid for Muslim support.

In March, 1940, Congress again decided not to support the war effort, threatened to launch a Civil Disobedience campaign in the near future, and demanded an immediate declaration of Indian independence and the summoning of a Constituent Assembly, based on universal adult suffrage, to frame a new constitution. Aggression should be opposed, it said, by Gandhi's method of non-violence.

When the League met at Lahore on March 26, 1940, it demanded independence of India and partition of the country into separate Hindu and Muslim States; this is the scheme called "Pakistan". Both Congress and the Mahasabha, the Hindu communal organisation, opposed any division of the country.

After France fell Congress voted to cooperate with the Government in the prosecution of the war, provided there were a National Government at the center, which was responsible to the legislature. Gandhi then withdrew from the Congress, because his principle of non-violence was being abrogated. Sir Tej Bahadur Sapru, a leader of the Moderates, who agree neither with the Government nor the Congress, but stands between the two, also asked for a National Government at the center.

The Government declined the Congress offer, and the League also opposed it.

In August the Viceroy made an offer to enlarge his Executive Council by adding Indians of the various parties, but this offer again failed to influence Congress.

In September 1940 Congress decided to withdraw its offer to cooperate with the Government - on terms - called Gandhi back to leadership, and under his direction began a campaign of Civil Disobedience. This was to be by individuals, not by mass movement, and was to be "symbolic". Prominent Congressmen, selected by Gandhi, would court arrest by making anti-war statements in public, previously notifying the police. In this way large numbers of the most prominent political leaders, including Nehru, were arrested and sentenced. The exact figure is uncertain, but it seems to have been between 6,000 and 8,000.

While the relations between the Government and Congress were blocked the relations between the Government and the Muslim League were also deteriorating. In July 1941 the Viceroy enlarged his Executive Council by creating five new posts, thus making a total of twelve, of whom seven were Indians, and an eighth would be an Indian, when an imminent replacement was due. The Viceroy also appointed a National Defence Council of thirty members, including the four Muslim premiers of the provinces where representative ministries still functioned.

Congress, of course, had no satisfaction in these developments, and the Muslim League also was aroused. Mr. Jinnah compelled the three Muslim premiers of provinces where the League

was in control to resign their appointments in the Defense Council, and he continued to call for "Pakistan".

Throughout the summer Hindu-Muslim riots were frequent. In August, when the "Atlantic Charter" was framed by President Roosevelt and Prime Minister Churchill, India at once asked if the third paragraph applied to India. This paragraph reads: "They (Roosevelt and Churchill) respect the right of all people to choose the form of government under which they will live; and they wish to see sovereign rights and self-government restored to those who have been forcibly deprived of them". Mr. Churchill in September stated that the paragraph referred only to those nations conquered by the Axis; he made clear that India and Burma were excluded. The country was disappointed and inflamed.

From time to time Lord Zetland, former Secretary of State for India, and Mr. Amery, who now holds that office, had made speeches to show that Britain could not give India self-government until the Indian political parties would agree on the terms of a new constitution, and in doing so would respect the rights of the Indian princes and various business interests which had investments in India. In November Mr. Amery made another, repeating the former arguments and summarizing the British position. He offered no compromise.

However, on December 4 the Government of India announced that it was releasing all those political prisoners who, like Nehru, were guilty of only "symbolic" offenses. This move of conciliation was to encourage united action behind the war

effort. On December 15, shortly before the Working Committee of the Indian National Congress was to meet, the Viceroy issued a special plea for unity in support of the war. On December 24 the Government proclaimed a state of emergency in Bengal and on December 25 arrested 320 members of the Hindu Mahasabha. They were on their way to a conference in Bihar to meet at a place where as early as September the Government had denied them the privilege of meeting lest riots should result between Hindus and Muslims.

During Christmas week, the Working Committee of the Congress, at its meeting, possibly alarmed at the successes of Japan, agreed to support the war, but not to aid Britain, only to block the aggressors. This resumption of violence as a method of resistance alienated Gandhi, who again withdrew from the Congress.

The Liberals - Sir Tej Bahadur Sapru and others - continue to urge Churchill to form a national government.

The Working Committee of the Muslim League, meeting at Nagpur, adopted a resolution on December 27, 1941, again opposing a united India and renewing the demand for "Pakistan".

RESTRICTED

APPENDIX B

PROBLEMS OF A NEW DEAL IN INDIA

The economic and social problems of India are more important than the political, and, if the country's attention were concentrated on them, political wrangling would probably be lessened. If America needed a New Deal because one-third of the population was ill-fed, ill-clothed, ill-housed, then it is true that India has even greater need. Four-fifths of India's population is in that state. The problem may be broken up in the following parts.

Peasants and other Villagers. Peasants with their families constitute about 66 percent of the population. Of those living in the Punjab less than one-fourth have holdings of ten acres or more; nearly one-fourth cultivate less than one acre. All these peasants are hopelessly in debt, and neither cooperative societies nor any other methods have solved the debt problem. These conditions are paralleled all over India.

Improved methods of agriculture are hard to introduce because of the smallness of holdings. Animal husbandry is in the crudest stage, because the peasant cannot afford the land for fodder crops. The soil cannot be replenished by the use of the country's natural fertilizer, cow-dung, because the poor collect, dry and burn this as fuel. What resources the peasant might have are depleted by heavy taxation, often passing through several layers of absentee landlords before reaching the govern-

ment, with each landlord taking his share.

Habitation is in wretched mud and wattle hovels, generally of only one room, with no adequate protection against the winter cold, no relief from the summer heat, leaky in the rainy season.

Clothing is the minimum, often hardly discernible.

Industrial Workers. These are about 3,000,000 in number, and, of this number, about 10 percent are organized in trade unions. The unions, however, are weak. Wages are very low: coal pays about 7 annas (13 cents) to 9 annas daily; in textile industries weavers receive about Rs.50 ($15.00) a month or lower. Like the peasants, the industrial workers are heavily in debt. The living conditions of the workers in the cities are indescribable for crowding and lack of sanitation.

Untouchables. The Untouchables, euphemistically called by the Government of India "Scheduled Castes", holding a position below that of the four groups of "castes", variously estimated at from 20 to 60 millions - probably about 50,000,000 - not only suffer from the disadvantages of poverty but also from the social degradation imposed by the caste system, which denies them use of many village wells, access to such schools as may exist, entry into temples and even normal human contacts with members of the four upper groups. Their problem can be solved only if orthodox Hinduism retracts its severities.

Education. The percentage of literacy is less than 10